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DIRECTORATE OF  
INTELLIGENCE

## MEMORANDUM

### *The Situation in Vietnam*

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5 February 1968

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Information as of 1600  
5 February 1968  
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HIGHLIGHTS

Allied forces appear to be gaining the upper hand in most of South Vietnam's urban areas. Most provincial capitals throughout the country were relatively quiet on the night 4-5 February, although the Communists stepped up their activity in and around Saigon. The government is taking steps to alleviate the plight of the approximate 170,000 refugees caused by the fighting.

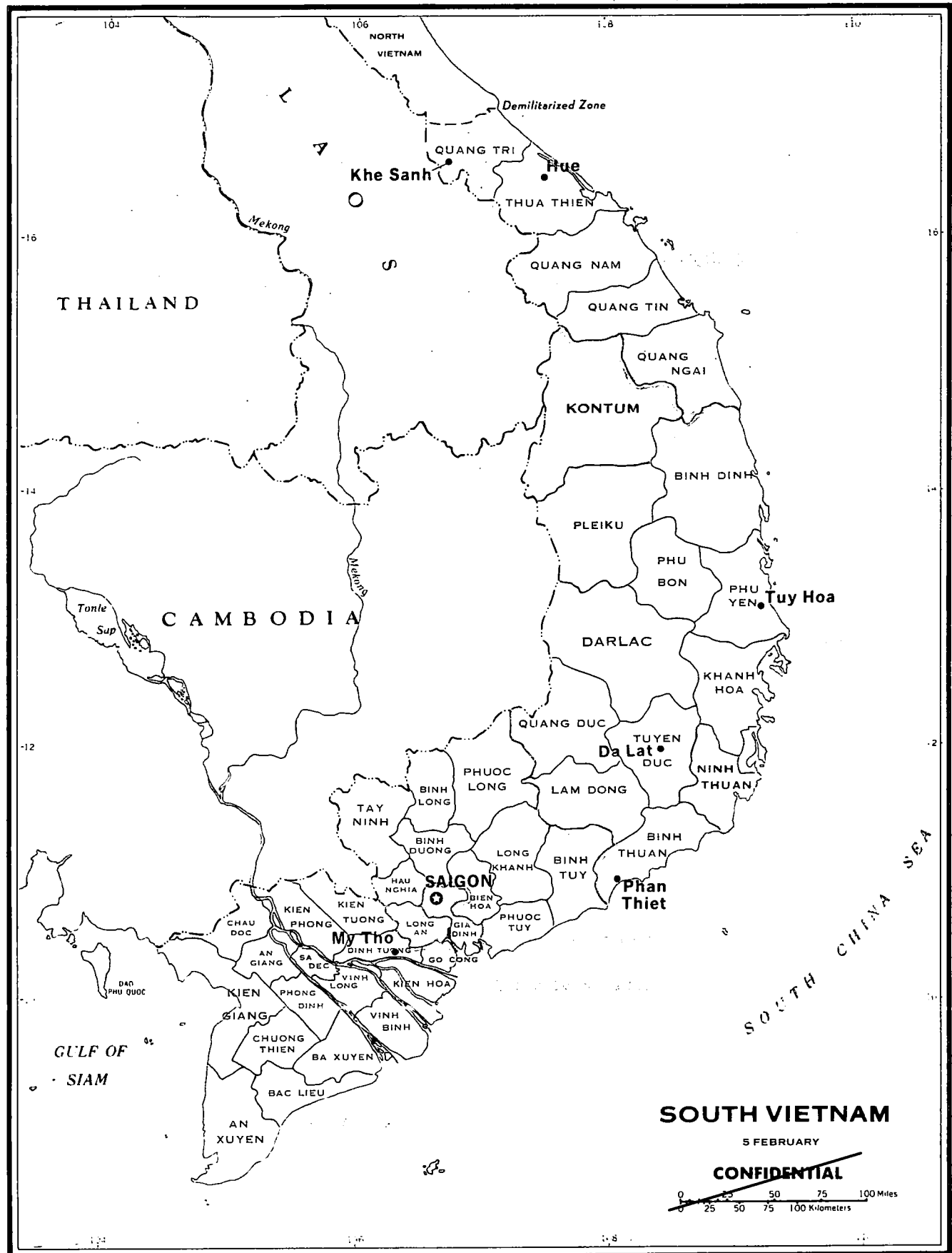
I. The Military Situation in South Vietnam:  
Allied forces appear to be regaining the upper hand in most of South Vietnam's urban areas (Para. 1). MACV claims that about 20,300 enemy have been killed since 30 January (Para. 2). A Communist assault on Hill 861 has been driven back (Paras. 3-5). Communist forces are maintaining strong pressure against government security installations in the Saigon area (Paras. 6-10). Quang Tri city and Hue are under pressure but the situation elsewhere in I Corps is quiet (Paras. 11-13). In II Corps, allied reaction forces are encountering heavy opposition to sweeps near several cities (Paras. 14-15). The III Corps area, except for Saigon, was reported quiet on 4-5 February (Para. 20). The Communist offensive seems to have abated somewhat in IV Corps during the past 24 hours (Paras. 21-22).

II. Political Developments in South Vietnam:  
The government is continuing to mobilize its resources to deal with problems resulting from the Communist attacks (Paras. 1-2). President Thieu is displaying a new confidence and has authorized steps to rally popular support (Paras. 3-5). General Khang, commander of the III Corps area around Saigon, and another officer appointed to command the capital area itself, may be accused by an Upper House committee of laxity in protecting Saigon (Paras. 6-7). Khang,

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# I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. Allied forces appear to be regaining the upper hand in most of South Vietnam's urban areas. Most provincial capitals were relatively quiet on the night of 4-5 February and into the morning, although the Communists stepped up their activity in and around Saigon. Heavy fighting continued for the sixth consecutive day in Hue. To the north, US Marines drove back an enemy assault on Hill 861 in the Khe Sanh defense perimeter. Communications suggest that the enemy in the western highlands is making battle preparations.

2. MACV now claims that about 20,300 Communists have been killed in the fighting since 30 January. Another 4,500 have been captured, as well as over 4,700 weapons. Allied losses in the same period now stand at 1,597 killed and 6,931 wounded.

## Khe Sanh

3. Early on 5 February, US Marines drove back an assault on Hill 861, on the edge of the Khe Sanh defense perimeter. The assault was preceded by a heavy rocket, mortar, and artillery barrage on the hilltop positions and on the main Khe Sanh base camp. Communist losses totaled 108 killed. American casualties were 14 killed and 32 wounded.

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Situation in Saigon

6. Communist forces are maintaining strong pressure against government security installations in the Saigon area, notwithstanding a 24-battalion allied clearing operation.

7. An estimated enemy battalion overran the 8th precinct Police headquarters in Saigon the night of 5 February. The situation in this precinct and in precincts 6 and 7--all of which are located in Cholon, the southwestern section of the capital--has deteriorated to the point that they have been removed from Municipal Police jurisdiction and placed under a three-battalion Ranger task force.

8. Elsewhere in Saigon, only a small number of terrorist incidents and snipings have been reported. US officials estimate that only a relatively small force of Viet Cong--as few as 100--remains active. Viet Cong elements in the Saigon attacks have been described as wearing a variety of outfits, ranging from Buddhist robes and civilian attire to South Vietnamese Army, Regional Force, Chieu Hoi, and jungle green uniforms.

9. There was reported to be an abundant supply of rice and bread in the shops of Saigon and Cholon as of 4 February. Some merchants, however, are apparently not selling rice, obviously waiting for prices to soar. It is estimated that the Saigon populace can last until 9 or 11 February without additional food supplies from outside.

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I Corps

11. US forces reported three major contacts--each with an enemy battalion--near Quang Tri city on 5 February. The Communists were routed in two of the engagements. No results are available on the third. Heavy fighting erupted in Trieu Phong, a district capital just to the north of Quang Tri city.

12. Bitter door-to-door fighting was continuing in Hue as US and South Vietnamese soldiers moved against pockets of enemy resistance in several sectors of the city. The enemy is clinging tenaciously to its positions, which include strong-points in the citadel and on the south bank of the Huong River.

13. The situation is reported as quiet in the capital cities of Quang Tin, Quang Ngai and Quang Nam provinces.

II Corps

14. In the western highlands, allied reaction forces are sweeping for enemy concentrations near the provincial cities of Kontum, Pleiku, and Ban Me Thuot. Battalion size engagements between allied and enemy forces are reported north of Kontum and southeast of Pleiku.

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15. Enemy forces are reported to be active in the Cam Ranh area. A clash between about 60 Viet Cong and Republic of Korea forces has been reported in the northern sector of the city, an area which has previously seen little or no enemy activity.

16. In Tuyen Duc Province, an estimated six enemy companies renewed the attack on allied positions in and around the city of Da Lat. Communist forces appear to be gaining the upper hand in the city and a US battalion is being diverted.

Ninh Thuan Province

17. Although there have been no enemy attacks reported against the provincial capital or district towns of coastal Ninh Thuan Province in II Corps, Viet Cong forces have reportedly entered, unopposed, a number of Revolutionary Development hamlets in the province. Between 31 January and 5 February, Communist units entered 12 hamlets that had either been worked by Revolutionary Development teams during 1967 or were scheduled for development under the 1968 program. None of the 12 hamlets had a team present. In addition, one hamlet protected by a team was harassed during this period.

18. The primary objectives of the Viet Cong in the 12 hamlets was reportedly to obtain foodstuffs and to propagandize against the South Vietnamese Government, the US, and the Revolutionary Development program. By a show of strength in these hamlets, the enemy is almost certainly attempting to detract from pacification efforts previously considered completed. In the hamlets scheduled for development during 1968, the Communists reportedly attempted to recruit youth for their own forces and to discourage hamlet residents from cooperating.

19. US officials in Ninh Thuan have for sometime noted a propensity of the Viet Cong to wait until teams move out of a hamlet before trying to reassert control. Hamlets under the protection of these teams have, no doubt, been harassed, but only seldom have they been made the target of a significant armed attack.

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III Corps

20. American observers in the area report no new outbreaks of Communist activity, except in the Saigon area. Enemy forces still pose a threat to some provincial capitals including An Loc and Phu Cuong.

IV Corps

21. The Viet Cong offensive seems to have abated somewhat during 5 February in the delta provinces. There has been a significant amount of destruction in many of the provincial towns and civilian casualties were probably high. Press reports indicate that in the heavily populated town of My Tho at least 60 civilians have been killed and about 680 wounded.

22. During the night of 5 February an enemy force, estimated at a battalion, attacked Go Cong provincial city, but was repulsed. There was sporadic sniper fire in several other cities.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The government is mobilizing its resources to handle problems arising from the Viet Cong offensive. On the morning of 4 February all province chiefs, with the exception of those in Da Lat, Ban Me Thuot, Kontum, and Hue, where communications are not functioning, were asked for damage assessments. Several of the ministries have been delegated specific responsibilities for dealing with the situation, and the government has issued an appeal to friendly countries for donations of food, medicine, clothing, and building materials to assist the estimated 170,000 refugees caused by the week's events.

2. The Ministry of Economy, [REDACTED] has been given the job of seeing that Saigon is adequately supplied with rice. The Ministries of Health and Social Welfare are responsible jointly for the distribution of food and clothing through retail stores. The Ministry of Interior, in conjunction with the mayor of Saigon and the national and municipal police directors, will take responsibility for clearing Saigon of Viet Cong. Plans include organizing "surround-and-search" operations in all areas, screening all residents, issuing new identification cards, and--at some later date--tightening control of Saigon by reinstituting the "five-family" system. Under this system, each group of five families elects a chief to whom they are responsible and who in turn reports to the police.

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Thieu on Various Aspects of the Situation

3. President Thieu appears to be much more sure of himself and confident of his decisions in this crisis than he has been under less pressing circumstances. [REDACTED]

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[REDACTED] Thieu's secretary Nguyen Van Huong, in a 3 February conversation with Thieu, suggested that the appointment of Vice President Ky to head the joint Vietnamese-US task force would give fresh impetus to rumors that Ky has been gaining power at Thieu's expense and is favored by the Americans. Thieu, in contrast to his usual attitude, brushed aside the possibility, commenting that he welcomed US assistance on the task force, as well as the suggestion that Ky head it. He said he regarded this as a good opportunity to give Ky something positive and important to do. Huong [REDACTED]

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[REDACTED] feels that Thieu's statement was sincere and noted no hint of criticism or resentment in his tone.

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4. On the subject of rounding up popular support for the government, Huong reportedly proposed to Thieu that representatives of the various religious and political groups and other prominent personalities be invited to meet with government leaders to pledge their support and possibly sign a manifesto of support. Huong [REDACTED] is already attempting to contact many of these individuals and has been approached by others.

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5. Thieu is apparently attempting to clear up the constitutional problems surrounding his declaration of martial law and other emergency measures. The authority cited for the martial law decree is a pre-constitution proclamation in 1965 of a state of war, permitting emergency measures. Huong says he has been instructed to prepare a new decree compatible with the constitution and to make arrangements for securing National Assembly approval. He was also instructed, [REDACTED] to put a definite time limit in the new decree or to arrange for an eventual constitutional amendment which will set a one-month limit to any declaration of martial law. Huong emphasized that neither Thieu nor any other official intends to violate the constitution.

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#### Possible Investigation of Senior Officers

6. The first note of real discord has been struck in the generally cooperative attitudes shown thus far by the various elements of the government. [REDACTED] the Upper House defense committee met on 5 February and concluded that the defense of Saigon lacked strong leadership during the crisis. Senator Tran Ngoc Nhuan, senior committee member present, will therefore call for an early investigation of the military leadership when the Upper House meets in plenary session on 6 February. Those officers specifically picked for investigation are reportedly III Corps Commander Khang and Colonel Nguyen Van Giam, appointed Commander of the Capital Military District during the crisis.

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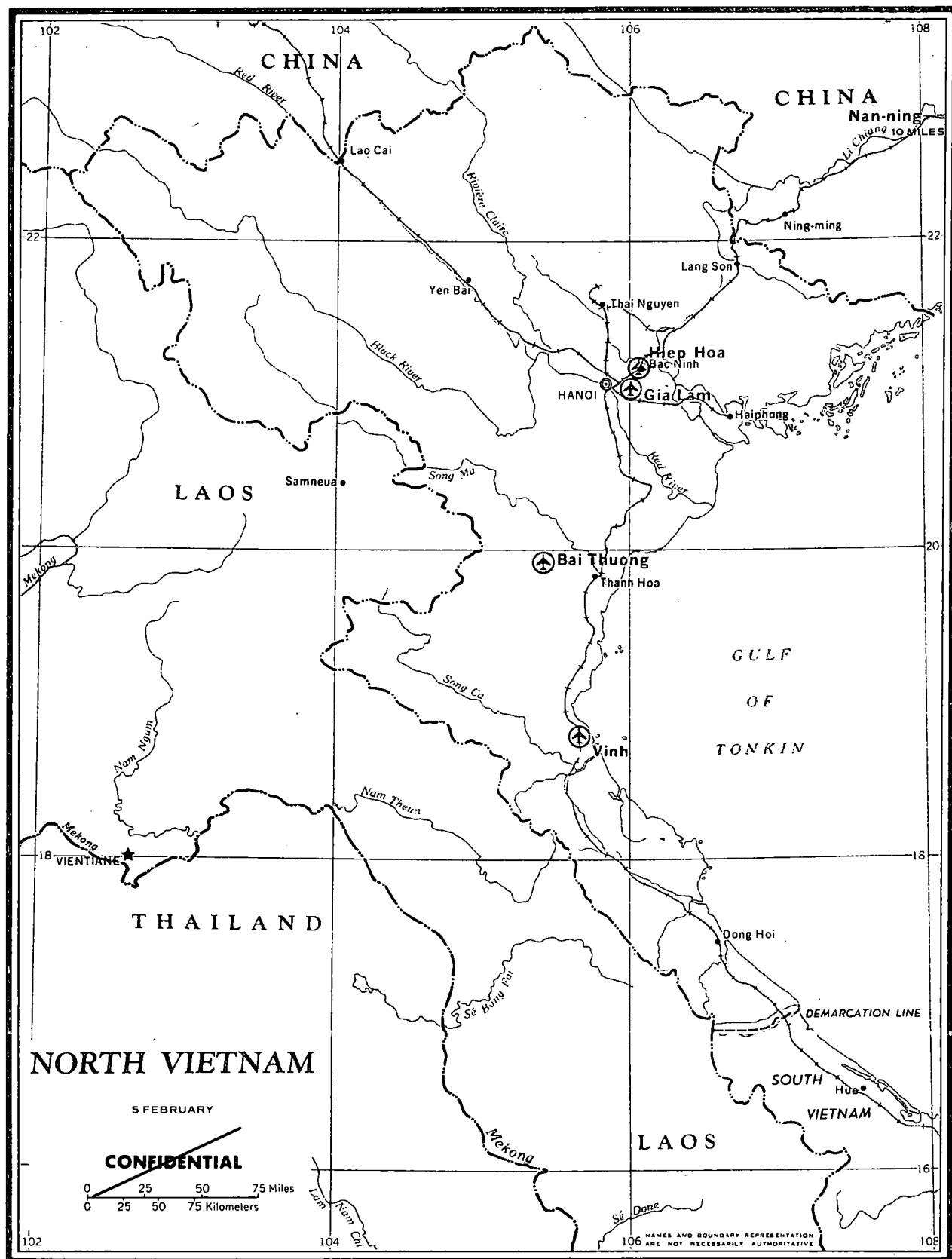
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III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

1. [REDACTED]

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[REDACTED] unusual activity on the part of North Vietnamese AN-2 aircraft, but the purpose of the activity is not yet clear.

2. Transports of this type, modified for a ground attack role, bombed a radar facility in Laos on 12 January. The facility supports US air operations against North Vietnam. The attack was not a success, and it could be that the AN-2s are preparing for a second try. On the other hand, there are certain tenuous indications that the AN-2s could be directed against allied forces in the vicinity of the Demilitarized Zone.

3. North Vietnam is believed to have five AN-2 aircraft configured for tactical operations. The planes probably are based at Hiep Hoa--a small airstrip located about 20 miles northeast of Hanoi. Considerable message activity has been noted between Hanoi and Hiep Hoa during the past three days and on 5 February an undetermined number of AN-2s were directed to fly from Hiep Hoa to Hanoi.

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5. [REDACTED]

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during the same period, however, raise the possibility that the AN-2s could be directed against other areas. On 2 February, Nan-ning Airfield in Communist China contacted Hanoi/Gia Lam to get a

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report on projected weather conditions at Vinh. In recent weeks, [REDACTED] the North Vietnamese may be attempting to develop an emergency landing facility at Vinh to support air operations in the vicinity of the Demilitarized Zone. On 3 February three North Vietnamese AN-2s and two similar Chinese aircraft were noted flying from Meng-tzu to Nan-ning in Communist China.

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6. There is no indication [REDACTED] [REDACTED] that the AN-2s at Nan-ning or at Hanoi have departed their bases for any fields in southern North Vietnam. Air defense nets, however, continue to carry reports of allied air and ground activity in the vicinity of the zone, and it is conceivable AN-2s or MIGs could be deployed to this area.

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7. An unconfirmed sighting report by a US air observer on 31 January noted the presence of a newly graded, smooth, dirt runway--about 4,000 feet in length--located approximately 16 miles north of the zone. Such a facility could be used for AN-2 ground support operations in northern South Vietnam.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

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V. COMMUNIST POLITICAL DEVELOPMENTS

1. Hanoi's first statement on negotiations since the beginning of the Communist offensive in the South was a routine rejection of the San Antonio formula and President Johnson's 1 February comments on the prospects for settling the war. A commentary in the party daily Nhan Dan, broadcast on 5 February, claimed that the US was still "setting conditions" by demanding "reciprocity." The US was urging the Vietnamese people to "pay a price" by stopping or slowing down the patriotic struggle. This demand, the essence of the San Antonio formula, was repeated by the President on 1 February, according to Nhan Dan. The paper reiterated that Foreign Minister Trinh's 29 December "will" talk formulation was the "just stand" of North Vietnam and that it was receiving increasingly wider international support.

2. The Hanoi statement did not directly connect events in the South with the question of settling the war. In keeping with other North Vietnamese statements, it made no mention of recent interpretations of the San Antonio formula by US officials.

Giap Reportedly Tours Defense Sites

3. The AFP correspondent in Hanoi supplies the first report of a current public appearance by North Vietnamese Defense Minister Giap in many months. The 5 February dispatch claims that Giap and other significant politburo members visited military units in Hanoi during the Tet holidays. Giap reportedly visited antiaircraft units, a tour he frequently takes at this time of the year.

4. Although we have no confirmation of Giap's reappearance, the AFP copy from Hanoi is censored and is probably based on a North Vietnamese newscast. Official Hanoi newscasts do make a practice of fabricating public appearances of prominent leaders.

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## VI. OTHER MAJOR ASPECTS

1. Cargo deliveries to North Vietnam by foreign flag ships in January totaled about 192,300 tons, some 45,000 tons more than the previous high set in May 1967. Large deliveries of foodstuffs, fertilizer, and petroleum accounted for the increase. Foodstuff deliveries totaled 56,300 tons, and fertilizer amounted to 25,400 tons. About 34,400 tons of petroleum were delivered, of which 25,200 tons originated in the USSR, 7,000 tons in Chile, and 2,200 tons in Rumania. These deliveries coincided with unusually high petroleum deliveries--some 21,200 tons--to China for the North Vietnamese account. The deliveries to China may be for subsequent transshipment to North Vietnam. Routing through China may have been designed to overcome insufficient storage in North Vietnam or to offset previous deliveries from China to North Vietnam.

2. Layover time for ships in North Vietnam averaged less than 15 days in January compared to 33 days in August 1967. The heavy cargo deliveries in January, may increase layover time in February to about 20 days.

3. Twenty Soviet ships--14 dry cargo and 6 tankers--delivered 65,600 tons of cargo to North Vietnam in January compared with the monthly average of about 55,600 tons during 1967. Two ships originated in the Black Sea and 18 in Far Eastern ports. Eleven Chinese dry cargo ships delivered 49,000 tons of cargo in January, compared with only five ships and 17,000 tons of cargo in December. One Soviet ship has arrived in February, at least six more are en route, and about five others have been scheduled to make voyages to Haiphong this month from Vladivostok.

4. North Vietnamese exports by sea in January totaled 43,200 tons and included 38,900 tons of coal. This is slightly higher than the tonnage shipped in December, but still some 26,400 tons below the monthly average exported during the first half of 1967.

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